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SENATE BILL 2876 By
Clabough

HOUSE BILL 2839
By Arriola

AN ACT to amend Tennessee Code Annotated, Title 4; Title 8,
Chapter 50 and Title 68, Chapter 11, relative to the health
facilities commission.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 68-11-108(f), is amended by adding
the following new language at the end of the subsection:

The written notice shall state specific reasons for the commission's decision
including, but not limited to, the factual basis for the commission's decision in relation to
the criteria for approval included in the commission's rules and regulations.

SECTION 2. Tennessee Code Annotated, Section 8-50-501(a), is amended by deleting
the word "and" at the end of subdivision (16); by deleting the period "." at the end of subdivision
(17) and substituting instead a semicolon ";" and the word "and"; and by adding the following
language as a new subdivision to be designated as follows:

(18) Members of the health facilities commission.

SECTION 3. Tennessee Code Annotated, Section 68-11-104, is amended by adding
the following new subsection:

(g)

(1) No member of the commission may vote, discuss with or seek to influence other members of the commission, or act in any manner on any application proceeding before the commission in which that member has an actual or apparent conflict of interest. For purposes of this subsection, "actual conflict of interest" means a direct or indirect financial interest in a matter before the commission, or an ongoing business relationship with an individual or entity with business before the commission. For purposes of this subsection, "apparent conflict of interest" means a business, personal, or familial relationship with an individual or entity having business before the commission that may reasonably appear to impair the objectivity of the member.

(2) Any member having an actual or apparent conflict of interest shall promptly notify the chairman of the commission, or the chairman's designees, of the existence of such conflict. The presence of a member with an actual or apparent conflict of interest shall not be counted for purposes of determining the existence of a quorum as to any vote or action concerning which the member has an actual or apparent conflict.

(3) Any member who violates the provisions of subdivisions (1) and (2) shall have their commission membership terminated. Such member shall be ineligible for reappointment to the commission for a period of three (3) years from the date of such termination.

(4) Any action taken by the commission in which a member with an actual or apparent conflict of interest participated in violation of subdivisions (1) or (2) shall automatically be set aside unless it appears from the record of the commission that the same action would have been taken notwithstanding the participation of the member.

SECTION 4. This act shall take effect July 1, 2002, the public welfare requiring it.

